(a) the number of "No Frills Accounts" opened in year 2007 by nationalised banks;

(b) the number of "No Frills Accounts" opened till August, 2008;

(c) whether it is a fact that not a single "No Frills Account" has been opened till now by private sector banks;

(d) if so, the reasons therefor; and

(e) what is the future policy of nationalised banks for opening "No Frills Accounts"?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) The number of "No frills" accounts opened by Nationalized Banks during the period from 01.04.2007 to 31.03.2008 is 60,29,917 while the cumulative number of "No frills" accounts opened by Nationalized Banks till 31.03.2008 is 1,04,84,242.

(c) and (d) The number of "No frills" accounts opened by Private Sector Banks till March 2008 is 18,79,073.

(e) RBI has issued guidelines on May 7, 2007 urging banks to scale up their financial inclusion efforts by utilizing appropriate technology. Banks have been advised that care may be taken to ensure that the solutions developed are highly secure, amenable to audit and follow widely accepted open standards to allow inter-operability among the different systems adopted by different banks.

Income tax exemption for Andhra Pradesh State Sports Development Fund

2377. SHRI NANDI YELLAIAH: Will the PRIME MINISTER be pleased to state:

(a) whether his Ministry had received a request from the State Government of Andhra Pradesh for 100 per cent Income Tax exemption under sub section 2 (iii) of clause (a) of the Section 80 G of the Income Tax Act to the Andhra Pradesh State Sports Development Fund;

(b) if so, the details thereof and latest status of the request; and

(c) by when final decision is likely to be taken on it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir.

(b) It was requested that 100 per cent income tax exemption under section 80G of the Income Tax Act be extended to all contributions to the Andhra Pradesh State Sports Development Fund on the lines of the National Sports Development Fund of the Department of Youth Affairs and Sports, Government of India. The request was examined and not found acceptable.

(c) Does not arise.

Strengthening of Boards of nationalised banks

2378. SHRI NARESH GUJRAL: Will the PRIME MINISTER be pleased to state:

(a) what steps Government is contemplating to strengthen the Boards of India's nationalised banks with the banking industry facing serious challenges in view of the current financial meltdown;

(b) the procedure for appointing these outside directors specially in the case of 'farmers' and 'artisans';

(c) whether Government stipulates any educational and professional qualifications for such directors; and

(d) what is the minimum emoluments and sitting fee paid to such directors for attending board meetings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) At present there is no move to make any change in the constitution of the Board of Directors of the Nationalised Banks.

(b) and (c) In terms of provisions contained in the Banking Companies (Acquisition and Transfer of Undertakings) Act 1970/1980, Directors nominated shall have special knowledge or practical experience in respect of one or more of the following matters, namely:-

(i) Accountancy, (ii) Agriculture and rural economy; (iii) Banking; (iv) Co-operation; (v) Economics, (vi) Finance, (vii) Law, (viii) Small Scale Industry; (ix) any other matter the special knowledge of and practical experience in which would, in the opinion of the Reserve Bank of India be useful to the banking industry. For ascertaining suitability for nominees in terms of formal qualification and expertise, track record, integrity, education, work experience, disqualification professional restrictions and regional representations, the Appointments Committee of the Cabinet (ACC) approved the guidelines which *Inter alia* provided that the outside directors (non official directors) should at least be a Graduate and between the age group of 40 to 60 years. However, educational qualification may be relaxed with the approval of ACC in case of farmers, artisans and depositors.

(d) The non official directors are entitled to a sitting fee of Rs. 5,000/- for attending Board meeting and Rs. 2,500/- for attending Committee meetings of the Board.

Job cuts in private sector

†2379. SHRI PRABHAT JHA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that under recessionary pressures job cuts have been effected in the private sector;

(b) if so, the details thereof;

(c) whether Government would lay down any guidelines for the private sector so that it cannot remove employees in one go; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Unlike the developed countries where job losses have been reported due to the global financial crisis, the impact has been limited in India as a large proportion of population is employed in the agriculture sector which has been relatively not affected by the

†Original notice of the question was received in Hindi.